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10 UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA
12 WESTERN DIVISION

13 UNITED STATES OF AMERICA,
14
15 Plaintiff,
16 v.
17 SEAN DAVID MORTON, et al.,
18 Defendant.

No. CR 15-00611-SVW

UNITED STATES' AMENDED
SENTENCING MEMORANDUM
FOR DEFENDANT SEAN DAVID
MORTON; DECLARATION

19 The United States of America, by and through its undersigned counsel, hereby
20 submits an amended memorandum regarding its sentencing position in anticipation of
21 the sentencing of defendant Sean David Morton currently scheduled for September 18,
22 2017.

23 As set forth more fully below, the United States requests that the Court sentence
24 defendant to a term of imprisonment of 109 months, followed by 5 years of supervised
25 release, and further order that defendant pay \$480,322.55 in restitution to the Internal
26 Revenue Service (IRS), and a special assessment of \$2,900.
27
28

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. Summary of the United States' Amended Sentence Recommendation**

3 Defendant was to be sentenced on June 19, 2017. When he failed to appear
4 for such hearing, this Court issued a bench warrant for his arrest.

5 During the 61 days as a fugitive, defendant flagrantly flouted the law,
6 appeared on social media, his radio program, and YouTube to brag about his status
7 as a fugitive, until on August 21, 2017, when defendant was apprehended with his
8 co-defendant, Melissa Morton, observing the solar eclipse pool-side at the Desert
9 Hot Springs Hotel and Spa, in Desert Hot Springs, California.

10 From the date this criminal case was instituted against him and his wife to
11 the date of their capture, defendant has willingly obstructed this proceeding. As
12 such, the 2-point obstruction adjustment under U.S.S.G. § 3C1.1 to defendant's
13 total combined adjusted offense level is wholly appropriate in this instance and
14 should be imposed by the Court. The government asserts that a term of **109**
15 **months** imprisonment is warranted in this case, as explained further below.

16 **II. Defendant's conduct from June 19, 2017 to present**

17 **a. June 19, 2017**

18 As the court is aware, defendant was to be sentenced on June 19, 2017 at
19 11:00 a.m., but did not appear. At approximately 11:25 a.m., the Court called the
20 case and with no appearance by defendant, issued a bench warrant for his arrest.

21 Beginning at approximately 1:35 p.m. on June 19, 2017, IRS-CI Special
22 Agents conducted surveillance of the defendants' apartment located in Hermosa
23 Beach, California. Defendants' vehicle, a white 2006 Ford Escape, was not in the
24 driveway of their residence, but special agents soon found it parked in the parking
25 lot of a Domino's Pizza on Pacific Coast Highway between 2nd and 3rd street in
26 Hermosa Beach, California. Declaration of IRS-CI Special Agent Peter Lu, ¶ 2.

27 At about 2:22 p.m., IRS-CI Special Agents witnessed defendant walking
28 briskly to his SUV, wearing a grey hooded sweatshirt (with the hood on), a hat,

1 and sunglasses, and carrying a black computer bag. Agents then saw defendant
2 open the driver's side of the SUV, take off his sweatshirt, place his bag and
3 sweatshirt inside, and get into the SUV and drive away, onto PCH heading south.
4 Lu Decl., ¶ 3.

5 IRS-CI Special Agents followed defendant for several miles and observed
6 him entering the 91 Freeway heading east. Agents followed defendant for several
7 miles eastbound on the 91 Freeway and then observed him exit onto Magnolia
8 Street from the 5 Freeway South/91 east interchange. After exiting onto Magnolia
9 Street, defendant abruptly made a U-turn and entered the 5 Freeway southbound
10 again. Then, defendant abruptly exited the 5 Freeway south at Lincoln Avenue,
11 wherein he made a right turn, and then another right turn on Loara Street, before he
12 parked his SUV near the corner of Loara Street and Lincoln Avenue in Anaheim,
13 California, when he entered a store on the corner of Lincoln Avenue and Loara
14 Street. Lu Decl., ¶ 4.

15 A few minutes later, defendant left the store, got into the SUV and headed
16 south on Loara Street. Agents observed defendant make a quick left turn onto
17 Mable Street and then drive the SUV into the rear parking lot of a building at 1575
18 Mable Street, Anaheim, California, park and exit the SUV. IRS-CI Special
19 Agents saw defendant enter the building at 1575 Mable Street, which is a building
20 of the Fairmont Private School in Anaheim, which was operating a day camp that
21 day for students ranging from pre-school to eighth grade. Agents observed
22 defendant looking out through the west facing window of 1575 Mable Street.
23 At approximately 5:30 pm, agents saw defendant leave 1575 Mable Street parking
24 lot in the SUV and turn west on Mable Street. Lu Decl., ¶ 5.

25 **b. June 20, 2017**

26 At 8:33 a.m., defendant posted to his Twitter account a plea for monetary
27 donations to a GoFundMe.com account for defendant Melissa Morton. Lu Decl., ¶
28 6.

1 **c. June 21, 2017**

2 Defendants' SUV was next observed in the driveway of their apartment on
3 June 21, 2017. At approximately 12:30 p.m., U.S. Marshals knocked and entered
4 defendants' apartment to see if defendant was there, but after a security sweep of
5 the apartment, found that defendant Melissa Morton was the only person at the
6 apartment. Defendant Melissa Morton stated to a Deputy U.S. Marshal that when
7 defendant Sean David Morton left the apartment, he took a firearm registered to
8 him with him. Lu Decl., ¶ 7.

9 **d. August 14, 2017**

10 Defendant Sean David Morton appeared on a livestream of a YouTube
11 show, Project Camelot, for over two hours.¹ Within minutes, defendant stated that
12 the assigned AUSAs and the Court were criminals, that there was no original
13 evidence of criminal activity presented in his case, and that the trial of his case was
14 a joke, tantamount to a "kangaroo court." Amongst other things, defendant stated
15 he did not show up to the sentencing because he had withdrawn his plea and the
16 court has no jurisdiction over him. Defendant further stated that he was in a secure
17 location and was likely to resume broadcasting his internet radio program soon.
18 Lu Decl., ¶ 8.

19 **e. August 21, 2017**

20 On August 21, 2017, defendants were arrested together at the Desert Hot
21 Springs Hotel and Spa, in Desert Hot Springs, California. Defendants had checked
22 into the hotel on August 20, 2017, and had made a two-day reservation. Defendant
23 Sean David Morton was poolside, and defendant Melissa Morton was in the SUV
24 about to leave the premises when IRS-CI Special Agents stopped her. Lu Decl., ¶
25 9.

26
27 _____
28 ¹ <https://projectcamelotportal.com/2017/08/14/sean-david-morton-live-on-my-show/>

1 **III. Offense Level Calculation and Revised Sentence Recommendation**

2 In its original sentencing position, the Government presented ample
3 evidence of defendant's obstreperous conduct leading up to and after the trial in
4 this case, and argued that the two-point upwards adjustment to defendant's
5 sentencing level calculation for obstruction under U.S.S.G. § 3C1.1 applied.
6 Docket No. 225, pp. 10-15. Defendant's willful failure to appear at his sentencing
7 is conduct to which this adjustment applies. U.S.S.G. § 3C1.1, Commentary, Note
8 4(E).

9 This is clearly a case where defendant has willfully undertaken a systematic
10 effort to impede this prosecution and the resulting sentencing. As such, the Court
11 should apply the obstruction enhancement to defendant's offense level
12 computation, which results in a combined offense level of 30, with a Guidelines
13 range of 97 to 121 months incarceration.
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1 For all of the above stated facts regarding defendant's conduct during his
2 flight from justice enumerated above, as well as those stated in the government's
3 original sentencing position, the government recommends that the Court sentence
4 defendant to a term of 109 months, midrange for defendant's combined offense
5 level, along with a period of supervised release of 5 years. As recommended by
6 the Probation Office, a restitution order in the amount of \$480,322.55 should be
7 entered against defendant, and defendant should be ordered to pay a special
8 assessment of \$2,900 to the Court. Additionally, such sentence should include (or
9 require defendant to be subject to) the terms and conditions enumerated by the
10 Probation Office.

11 Respectfully submitted,

12
13 SANDRA R. BROWN
14 Acting United States Attorney
15 THOMAS D. COKER
16 Assistant United States Attorney
17 Chief, Tax Division

18 DATED: ____09/06/2017____

19 /s/_____
20 VALERIE L. MAKAREWICZ
21 JAMES C. HUGHES
22 Assistant United States Attorneys
23 Attorneys for the United States of America
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26
27
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10 UNITED STATES DISTRICT COURT
11 FOR THE CENTRAL DISTRICT OF CALIFORNIA
12 WESTERN DIVISION

13 UNITED STATES OF AMERICA,
14 Plaintiff,
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17 Defendant.

No. CR 15-00611-SVW

DECLARATION OF IRS-CI
SPECIAL AGENT PETER LU

18
19 **DECLARATION OF IRS-CI SPECIAL AGENT PETER LU**

20 Pursuant to 28 U.S.C. § 1746, I, PETER LU, declare under penalty of perjury, as
21 follows:

22 1. I am a Special Agent with the Internal Revenue Service-Criminal
23 Investigation ("IRS-CI"), employed in its El Monte, California office. I have knowledge
24 of the facts set forth herein and could and would testify to those facts fully and truthfully
25 if called and sworn as a witness.

26 2. Beginning at approximately 1:35 p.m. on June 19, 2017, IRS-CI Special
27 Agents, including myself, conducted surveillance of the defendants' apartment located in
28 Hermosa Beach, California. Defendants' vehicle, a white 2006 Ford Escape, was not in
the driveway of their residence, but I soon found it parked in the parking lot of a

1 Domino's Pizza on Pacific Coast Highway between 2nd and 3rd street in Hermosa
2 Beach, California.

3 3. At about 2:22 p.m., I witnessed defendant Sean David Morton walking briskly
4 to his SUV, wearing a grey hooded sweatshirt (with the hood on), a hat, and sunglasses,
5 and carrying a black computer bag. I saw defendant open the driver's side of the SUV,
6 take off his sweatshirt, place his bag and sweatshirt inside, and get into the SUV and
7 drive away, onto PCH heading south.

8 4. IRS-CI Special Agents, including myself, followed defendant for several miles
9 and agents observed him entering the 91 Freeway heading east. Defendant was followed
10 for several miles eastbound on the 91 Freeway and observed exiting onto Magnolia
11 Street from the 5 Freeway South/91 east interchange. After exiting onto Magnolia
12 Street, defendant was observed abruptly making a U-turn and then again entering the 5
13 Freeway southbound. Then, defendant was observed abruptly exiting the 5 Freeway
14 south at Lincoln Avenue, wherein he made a right turn, and then another right turn on
15 Loara Street, before he parked his SUV near the corner of Loara Street and Lincoln
16 Avenue in Anaheim, California, when I saw him entering a store on the corner of
17 Lincoln Avenue and Loara Street.

18 5. A few minutes later, I saw defendant leaving the store, getting into the SUV
19 and heading south on Loara Street. I saw defendant make a quick left turn onto Mable
20 Street and then drive the SUV into the rear parking lot of a building at 1575 Mable
21 Street, Anaheim, California, park and exit the SUV. I saw defendant enter the building
22 at 1575 Mable Street, which is the Fairmont Private School in Anaheim, which was
23 operating a day camp that day for students ranging from pre-school to eighth grade. I
24 saw defendant looking out through the west facing window of 1575 Mable Street. At
25 approximately 5:30 pm, defendant left 1575 Mable Street parking lot in the SUV.

26 6. On June 20, 2017, at 8:33 a.m., defendant posted to his Twitter account a plea
27 for monetary donations to a GoFundMe.com account for defendant Melissa Morton.


28 7. On June 21, 2017, defendants' SUV was observed by IRS-CI Special Agents in
the driveway of their apartment. At approximately 12:30 p.m., U.S. Marshals knocked

1 and entered defendants' apartment to see if defendant was there, but after a security
2 sweep of the apartment, found that defendant Melissa Morton was the only person at the
3 apartment. I know from conversations with the Deputy U.S. Marshal that defendant
4 Melissa Morton stated to a Deputy U.S. Marshal that when defendant Sean David
5 Morton left the apartment, he took a firearm registered to him with him.

6 8. On August 15, 2017, defendant Sean David Morton appeared on a livestream
7 of a YouTube show, Project Camelot, for over two hours. I have watched this program.
8 Defendant stated that the assigned AUSAs and the Court were criminals, that there was
9 no original evidence of criminal activity presented in his case, and that the trial of his
10 case was a joke, tantamount to a "kangaroo court." Defendant stated he did not show up
11 to the sentencing because he had withdrawn his plea and the court has no jurisdiction
12 over him. Defendant stated that he was in a secure location and was likely to resume
13 broadcasting his internet radio program soon.

14 9. On August 21, 2017, defendants were arrested together at the Desert Hot
15 Springs Hotel and Spa, in Desert Hot Springs, California. Defendants had checked into
16 the hotel on August 20, 2017, and had made a two-day reservation. I arrested defendant
17 at the hotel's pool. Defendant Melissa Morton was in the SUV about to leave the
18 premises when IRS-CI Special Agents stopped her.

19 I declare under penalty of perjury under the laws of the United States of America
20 that the foregoing is true and correct and that this declaration is executed in El Monte,
21 California, on September 6, 2017.

22
23 
24 PETER LU
25 Special Agent, IRS-CI
26
27
28

PROOF OF SERVICE BY MAILING

I am over the age of 18 and not a party to the within action. I am employed by the Office of the United States Attorney, Central District of California. My business address is 300 North Los Angeles Street, Suite 7211, Los Angeles, California 90012.

On **September 6, 2017**, I served

UNITED STATES' AMENDED SENTENCING MEMORANDUM FOR DEFENDANT SEAN DAVID MORTON; DECLARATION

on each person or entity name below by enclosing a copy in an envelope addressed as shown below and placing the envelope for collection and mailing on the date and at the place shown below following our ordinary office practices. I am readily familiar with the practice of this office for collection and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid. Date of mailing: **September 6, 2017**

Place of mailing: Los Angeles, California

See attached list

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

Executed on: **September 6, 2017**, Los Angeles, California.

_____/s/_____

Barbara Le

RE: USA V. SEAN DAVID MORTON, ET AL

CASE NO.: CR 15-611 SVW

Service List

Sean David Morton
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Box 1274
Hermosa Beach, CA 90274-1274

Sean David Morton
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West Valley Detention Center
9500 Etiwanda Ave
Rancho Cucamonga, CA 91739